
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
National Credit Union Administration
Office of the Comptroller of the Currency**

For immediate release

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Agencies Issue Temporary Exceptions to Appraisal Requirements in Areas Affected by Severe Storms and Flooding Related to Hurricanes Harvey, Irma, and Maria

WASHINGTON — Responding to widespread damage caused by Hurricanes Harvey, Irma, and Maria, four federal financial institution regulatory agencies today took action to facilitate the recovery process by temporarily easing appraisal requirements for real estate-related financial transactions in areas declared to be a major disaster.

The agencies will not require financial institutions to obtain appraisals for affected transactions (1) if the properties involved are located in areas declared major disasters; (2) if there are binding commitments to fund the transactions within 36 months of the date the areas were declared major disasters, and (3) if the value of the real properties support the institutions' decisions to enter into the transactions.

The exceptions apply to transactions in areas of Florida, Georgia, Puerto Rico, Texas, and the U.S. Virgin Islands and expire three years after the date the president declared each area a major disaster. The exceptions are being made under the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) and its implementing regulations.

Financial institutions that use the appraisal exception must maintain information estimating the collateral's value that sufficiently supports their credit decision to enter into the transaction. The agencies will monitor institutions' real estate lending practices to ensure the transactions are being originated in a safe and sound banking manner.

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Attachment:

[Temporary Exceptions to FIRREA Appraisal Requirements in Areas Affected by Severe Storms and Flooding Related to Hurricanes Harvey, Irma, and Maria](#)

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